

Statement of profit or loss and other comprehensive income

In thousand Armenian drams	Notes	Year ended 31 December 2016	Year ended 31 December 2015
Gross premiums written	21	8,647,769	8,141,484
Change in the gross provision for unearned premiums	21	(564,639)	(313,123)
Gross insurance premium revenue		8,083,130	7,828,361
Insurance premiums impairment charge	27	(42,247)	(117,733)
Gross insurance premium revenue, after impairment		8,040,883	7,710,628
Written premiums ceded to reinsurers	21	(2,414,184)	(1,682,185)
Reinsurers' share of change in the gross provision for unearned premiums	21	512,254	255,496
Ceded earned premiums		(1,901,930)	(1,426,689)
Net insurance premium revenue		6,138,953	6,283,939
Subrogation income		100,142	234,286
Subrogation impairment charge	27	(68,333)	(107,939)
Subrogation income , after impairment		31,809	126,347
Net reinsurance commission income	22	216,631	199,300
Net income/(loss) from investments available-for-sale		402,519	(89,595)
Investment income	23	637,230	720,642
Other income		5,015	6,165
Total income		7,432,157	7,246,798
Gross claims incurred	24	(3,494,781)	(3,623,366)
Reinsurer's share of gross claims incurred	24	246,602	269,952
Net insurance claims incurred		(3,248,179)	(3,353,414)
Acquisition costs	25	(1,205,286)	(1,243,175)
Financial expenses	26	(123,617)	(379,873)
Impairment (charge)/reversal of other assets and receivables	27	140	(535)
Depreciation and amortization	6,7	(126,353)	(144,643)
Staff costs	28	(946,080)	(979,461)
Other operating and administrative expenses	29	(564,358)	(524,202)
Foreign currency translation net gains/(losses) of non-trading assets and liabilities		(17,865)	816
Net losses from trading in foreign currency		(4,819)	(5,556)
Total expenses		(6,236,417)	(6,630,043)
Profit before income tax		1,195,740	616,755
Income tax expense	30	(256,275)	(131,693)
Profit for the year		939,465	485,062

In thousand Armenian drams	Notes	Year ended 31 December 2016	Year ended 31 December 2015
Other comprehensive income:			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Revaluation of PPE		19,574	16,938
Income tax relating to items not reclassified		(3,915)	(3,388)
Net gains from items that will not be reclassified subsequently to profit or loss		15,659	13,550
<i>Items that will be reclassified subsequently to profit or loss</i>			
Net gains/(losses) from changes in fair value of available-for-sale financial assets		794,992	(1,870)
Net (gains)/losses realized to profit or loss on disposal of available-for-sale instruments		(402,519)	89,595
Income tax relating to reclassified items		(78,495)	(17,545)
Net gains from items that will be reclassified subsequently to profit or loss		313,978	70,180
Other comprehensive income for the year, net of tax		329,637	83,730
Total comprehensive income for the year		1,269,102	568,792

The accompanying notes on pages 9 to 59 are an integral part of these financial statements.